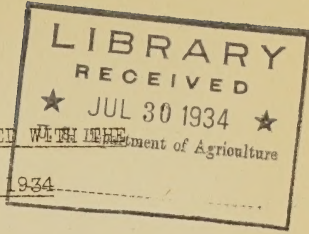


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INSTRUCTIONS TO STATE ALLOTMENT BOARDS CONCERNED WITH THE
OPERATION OF THE COTTON ACT OF APRIL 21, 1934

(Preliminary)

COTTON PRODUCTION SECTION
COMMODITIES DIVISION, AGRICULTURAL ADJUSTMENT ADMINISTRATION
JULY 16, 1934.

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INSTRUCTIONS TO STATE ALLOTMENT
BOARDS CONCERNED WITH THE OPERATION OF THE
COTTON ACT OF APRIL 21, 1934

INTRODUCTION

A State Allotment Board will be established in each cotton-producing State in accordance with the plan formulated by the Secretary of Agriculture to administer the provisions of the Cotton Act of 1934 for which he is responsible. The State Allotment Boards will act primarily as statistical agencies in that their principal duties will consist of computing the allotments of tax-exempt cotton that individual producers within the State are severally entitled to receive, and of issuing the necessary amount of tax-exemption certificates to cover these individual allotments.

The State Allotment Boards will also be concerned, however, with supervising, to the extent authorized by the Cotton Production Section, the field work pertaining to the receiving of applications from producers, the distributing of exemption certificates through the county offices, and other matters under the jurisdiction of the Secretary of Agriculture relating to the Cotton Act of 1934. In all of their functions, the State Allotment Boards will act in close cooperation with the Agricultural Extension Service in each State. The Boards will also maintain close contact at all times with the officials of the Cotton Production Section designated to supervise the activities of the State Allotment Boards.

The field supervisory work of the State Allotment Boards will pertain largely to seeing that the county organizations function in a proper manner and that applications for allotments and tax-exemption certificates are properly filled out in accordance with the instructions and regulations issued by the Secretary of Agriculture. The handling of exemption certificates in the county offices will also be a matter that will come under the general supervision of the State Allotment Boards. The State Allotment Boards will act in an advisory capacity at all times with the personnel in the county offices in all matters pertaining to the administration of the Cotton Act. The Boards may, with the approval of the Cotton Production Section and of the Director of Extension, delegate their field supervisory activities to personnel connected with the Extension Service in each State, or to other persons who may be designated for this work. The State Allotment Boards will, at all times, operate under the direct supervision of the Cotton Production Section.

The immediate responsibility of each Board, as stated above, will be to provide an efficient statistical organization designed to function in an effective manner in computing individual allotments of tax-exempt cotton and in issuing tax-exemption certificates to cover such allotments. The limited period of time during which this work will need to be done necessitates the setting up of a carefully-planned organization that will be able to function speedily and accurately.

Each State Allotment Board will consist of three members who will be appointed by the Secretary of Agriculture upon the recommendation of the Director of Extension in each State, subject to the approval of the Cotton Production Section. An Executive Secretary will also be appointed for each State office in the same manner. The Board will be responsible for directing the handling of applications from the time they reach the State office; the checking of data submitted on applications; their summarization; the computing of farm allotments, and the issuance of tax-exemption certificates to producers. The letter of authorization issued to each Director of Extension provides for the employment of a Senior and a Junior Stenographer, who will have general supervision of the stenographic and typing work, and of a Statistical Clerk, who will be responsible for the effective functioning of the necessary statistical-clerical force. Other help in sufficient numbers to perform the necessary functions in the time available will be employed, at the discretion of the Board, through the Director of Extension. Individuals employed should be persons trained in the type of work to which they are assigned. That is, individuals employed to verify computations of County Committees and to summarize applications must be persons skilled in the use of comptometers or calculating machines; tabulators must have had experience in accurately and rapidly tabulating data of various types, etc.

The time available during which the work must be completed is limited. Each State Allotment Board will find it desirable, therefore, to have its organization sub-divided into effective work units trained for their respective tasks by the time that applications begin to be received from the counties. It will be necessary, in establishing the organization, to arrange for the use of appropriate office space and for equipment and personnel sufficient to perform the various tasks assigned to the Board.

The instructions and suggestions contained in this pamphlet are not complete and do not attempt to cover in detail all the problems that will confront the State Allotment Boards in the execution of their duties. These instructions are supplementary, insofar as the State Allotment Boards are concerned, to the publication, Form No. B.A. 19, entitled "Instructions and Regulations Pertaining to the Cotton Act of April 21, 1934". This publication is now available in a preliminary revised draft issued in mimeographed form under date of July 7, 1934, and will be distributed in printed form in the near future. The requirements that must be met by each applicant in order

to receive an allotment of tax-exempt cotton are set forth in Form No. B.A. 19 or in the revised mimeographed draft, and should be carefully studied by members of the State Allotment Boards. These requirements will have to be carefully checked in the State office at the time that applications are received in order that the proper procedure may be followed in the operation of the Act.

The following chapters discuss the details of the procedure that will be followed under each of the several duties assigned to the State Allotment Boards.

PART I. THE RECEIVING AND CHECKING OF APPLICATIONS

Recording Receipt Of Applications In State Office

The Board will provide blanks for listing, according to serial number groupings, each lot of applications received from a county. Such a procedure is necessary in order to avoid the confusion that would result from the loss or misplacement of applications. A partially-filled-out form suggested for listing applications as they are originally received is illustrated below:

ORIGINAL RECEIPTS OF APPLICATIONS

_____ COUNTY

Community	Dates And Serial Numbers					
	July	August				
	15	27	7			
A	1-50	51-120	121-180			
B	1-65	66-99	100-163			
C	1-41	42-178	179-202			

A receiving clerk will list by counties the serial numbers of applications received at the State office. At the same time that serial numbers are listed, it will also be necessary to compare the applications in each shipment with the letter of transmittal sent from the county office. If the applications received do not correspond with those described in the letter of transmittal, the county office will be notified and the proper correction made.

Each single shipment of applications received from a particular county will be kept intact and sent immediately through the regular routine without waiting for later shipments to arrive from the same county.

If an examination of individual applications shows that an incorrect procedure was followed in entering signatures, land description, etc., or in making of computations, it may be necessary to return such applications for correction to the county from which received. It is hoped that committeemen and county agents will be so thoroughly instructed that it will

be necessary to return only a small number of applications. When applications are returned to the county, however, the serial numbers of such applications and the dates of return and subsequent receipt will be listed in order that the Board may have a correct record of all applications that it has received. A partially filled out form suggested for recording applications returned for corrections is illustrated below:

APPLICATIONS SENT TO COUNTY FOR CORRECTION AND
RETURNED TO STATE OFFICE

COUNTY

Community	: Dates And Serial Numbers			: : Dates And Serial Numbers		
	: Sent To County			: : Returned To State Office		
	: July	:	:	: : July	:	:
	: 20	:	:	: : 27	:	:
	: 6-18,21	:	:	: : 6-18	:	:
A	: 30-35	:	:	: : 30-33	:	:
	:	:	:	: :	:	:
B	:	:	:	: :	:	:
	:	:	:	: :	:	:
C	: 3,7,35	:	:	: : 3,7,35	:	:
	:	:	:	: :	:	:
	:	:	:	: :	:	:
	:	:	:	: :	:	:
	:	:	:	: :	:	:

CHECKING APPLICATION FORMS NO. B.A.8, 9, AND 10
FOR CORRECTNESS OF ENTRIES

The main steps that will be followed in examining the application forms and testing the various items for correctness are:

1. Checking information, other than tabular data, on Form No. B.A.8.

a. Name shown on first page should be the same as signature (Section II).

b. Ascertain that operator has indicated his status immediately below the address.

(1) If application is made by share tenant or cropper who operates entire farm, make sure that Form No. B.A.9 (and B.A.10, if used) is attached.

c. Address of operator and description of farm.

d. Oath and signature(s), (Section II).

(1) If application is signed by agent, determine whether proper documentary authority is attached.

- (a) If agent authorized to receive certificates, documentary authority will be returned to county office, together with certificates issued.
- e. Certification by Community Committee (Section III).
- f. Certification by county Committee (Section IV).
- g. Approval by County Agent (Section IV).
- 2. Checking all computations in Table 1.
 - a. See that only the proper base years have been included in the computations in accordance with Section 21, Article II, of "Regulations under the Cotton Act Governing Allotments and Tax-Exemption Certificates" (Form No. B.A.19).
 - b. See that Column A multiplied by Column B equals Column C and that Column C divided by Column D equals Column E for each year that is reported.
 - c. Check totals and averages in lines 7 and 8.
 - d. Check computations of County Committee in Columns F, G and H, lines 9 and 10.
 - (1) For farms covered by 1934-1935 Cotton Contract, see that Column G, line 10 was multiplied by Column H, line 10, to obtain the allotment basis, Column F, line 10.
 - (2) For farms not covered by a 1934-1935 Cotton Contract:
 - (a) For farms with an adjusted base acreage of more than three acres or an adjusted yield of more than 75 pounds per acre, see that the allotment basis, Table 1, Column F, line 10, equals the adjusted average production (Table 1, Column F, line 9) multiplied by the average percentage of their adjusted base acreage that contract signers in the county are permitted to plant in 1934.
 - (b) For farms with:
 - i. An adjusted base acreage of three acres or less, see Section 22 (a), Article II, of "Regulations under the Cotton Act Governing Allotments and Tax-Exemption Certificates" (Form No. B.A.19).
 - ii. An adjusted average yield of 75 pounds

or less, see Section 22 (b), Article II, of "Regulations under the Cotton Act Governing Allotments and Tax-Exemption Certificates" (Form No. B.A.19).

(c) Calculate minimum allotment basis in accordance with Section 21 (c)(ii), Article II, of "Regulations under the Cotton Act Governing Allotments and Tax-Exemption Certificates" (Form No. B.A.19), and enter same below Column F, line 10.

3. Check totals and averages in Table 2.
 - a. Averages must be obtained by dividing totals by number of years in which cotton was planted.
4. Check computations of total production Table 3, (Column C multiplied by Column D equals Column E).
5. Check computations in Forms No. B.A.9 and 10, Columns A to D, inclusive.
 - a. See that names and shares of producers are so arranged that total allotment basis of each may easily be determined.
 - b. Check signatures and oaths.
 - c. Make sure that signatures correspond with those shown in Form No. B.A.8.
 - d. The final computation on Forms No. B.A.9 and 10 can be done only after the farm allotment is determined, but any errors found in the forms in this preliminary checking will permit their being sent back to the county for needed correction.

Note: Any arithmetical errors noted in checking applications may, in the discretion of the State Allotment Board, be corrected without notifying the producer affected.

PART II. DETERMINING ALLOTMENT BASES AND ALLOTMENTS

Summarizing Application Form No. B.A.8

Section V of Application Form No. B.A.8 provides for the computation of the allotment bases of an entire farm, while Form No. B.A.9, and its continuation sheets, Form No. B.A.10, provide for the proration of the farm allotment, after it is determined, to each of two or more producers on a farm on which cotton is produced on a share basis. The summary in Section V of Form No. B.A.8 will show the bases upon which an operator will share in allotments under the various provisions of the Act. These allotment bases will then be used in computing the farm allotment as provided for in Form No. B.A.21, entitled "Summary of Allotment Bases and Determination of Individual Farm Allotments". A copy of this form is shown as Example 7 in the appendix to this pamphlet. For those farms on which there is more than one producer, the allotment will be prorated to the individual producers as provided for in Forms No. B.A.9 and 10.

The computations in Section V of Form No. B.A.8 will be made by one person and checked by another, and the name or initials of each will be signed immediately below the summary. The procedure to be used by the State Allotment Board in summarizing Section V of Form No. B.A.8 is as follows:

1. Transfer allotment basis under Section 7 of the Act (Table 1, Column F, line 10) to Section V, line 1.
 - a. For farm covered by 1934-1935 Cotton Contract, transfer the allotment basis in Table 1, Column F, line 10.
 - b. For farm not covered by 1934-1935 Cotton Contract, transfer the allotment basis in Table 1, Column F, line 10, or the minimum allotment basis (computed and entered as instructed in Part I) from immediately below Table 1, Column F, line 10, whichever figure is the larger.
2. Determine allotment basis under Section 8 (a) of the Act.
 - a. Enter in line 2 (a) the computed percentage of cultivated land in cotton (Table 2, Column C, line 6, divided by line 10, Column B). If this percentage figure is greater than 33-1/3 percent, it is not necessary to complete this section.
 - b. Enter in line 2(b) the computed estimated production if one-third of the cultivated land has been planted to cotton (Table 2, Column B,

- 1/3 of line 6, multiplied by line 10, Column H, Table 1).
- c. Enter in line 2(c) the adjusted average production of cotton in 1930, 1931, and 1932 (Table 2, Column C, line 6, multiplied by line 10, Column H, Table 1).
 - d. Enter in line 2(d) the computed allotment basis (item 2(b) minus item 2(c) under Section 8 (a) of the Act).
3. Transfer the allotment basis under Section 8 (b) of the Act from Table 3, Column E, line 3 to line 3 (a). This part of the summary is necessary only for applications covering farms on which cotton is planted in 1934 for the first time since 1927.
4. Determine allotment basis under Section 8 (c) of the Act.
- a. Enter in line 4 (a) the average production excluding years in which yields were 33-1/3 percent or more below the adjusted average yield. Care must be exercised in computing this average that the same years are not excluded as were excluded in the computation of the allotment to the county from which the application originates.
 - b. Enter in line 4 (b) the adjusted average production, 1928-1932 (Table 1, Column F, line 9).
 - c. Enter in line 4 (c) the computed allotment basis (Item 4 (a) minus item 4 (b) under Section 8 (c) of the Act).
5. Determine allotment basis under Section 8 (d) of the Act.
- a. Enter in line 5 (a) the average production, assuming cotton acreage 60 percent of 1929 cotton acreage (Table 1, Column H, line 10, multiplied by 60 percent of line 7, Column C, Table 2).
 - b. Enter in line 4 (b) the adjusted average production 1930-1932 (Table 2, Column C, line 6, multiplied by line 10, Column H, Table 1).
 - c. Enter in line 5 (c) the allotment basis (item 5 (a) minus 5 (b)) under Section 8 (d) of the Act.

Four examples are presented as illustrations of the procedure

that will be used in summarizing Form No. B.A. 8, assuming that all computations made in the county have been checked and necessary corrections made. It will be noted that the applicants represented in each of these illustrations will participate in the county allotment because of having planted cotton during the period 1928-1932.

Example 1 illustrates the summarization procedure in the case of a farm covered by a 1934-1935 Cotton Contract in a county for which the year 1929 was omitted in calculating the county allotment. It will be noted that the farm represented in this illustration will participate in the proration of the State cotton reserve as well as in the county allotment. The application indicates a claim under Section 8 (a) of the Act because the percentage of the cultivated land planted to cotton during 1930, 1931, and 1932 was less than $23\frac{1}{3}$ percent. A claim under Section 8 (c) of the Act is also represented because the yield per acre in 1930 was $33\frac{1}{3}$ percent or more below the 5-year adjusted average yield. The low yield in 1929 was not considered, however, because that year was excluded in calculating the county allotment.

Example 2 is identical with Example 1 except for the assumption that the applicant was operating a farm not covered by a 1934-1935 Cotton Contract.

Example 3 illustrates the case of a farm covered by a 1934-1935 Cotton Contract, but on which the average acreage planted to cotton during the period 1930-1932 was less than 60 percent of the acreage planted to cotton in 1929. The farm represented in this illustration will participate in the proration of the county allotment and of the State cotton reserve as provided in Section 8 (d) of the Act.

Example 4 is identical with Example 3 except for the assumption that the applicant was operating a farm not covered by a 1934-1935 Cotton Contract.

(See Examples 1, 2, 3 and 4
on pages 12-13, 14-15, 16-17
and 18-19, respectively)

EXAMPLE 1. INSTRUCTIONS FOR SUMMARIZING FORM NO. B.A.8
FOR A FARM PARTICIPATING IN THE PRORATION OF
THE COUNTY ALLOTMENT AND OF THE STATE RESERVE
UNDER SECTION 8 (a) AND (c) OF THE ACT

(Application for farm covered by 1934-1935 Cotton Contract. For notes, footnotes and column captions see printed copy of Form No. B.A.8).

TABLE 1.--COTTON ACREAGE, YIELD, AND PRODUCTION

	(A)	(B)	(C)	(D)	(E)	(EE)	(F)	(G)	(H)
	Number	Pounds	Pounds	Acres	Pounds		Pounds	Acres	Pounds
(1) 1933									
(2) 1932	11	511	5621	25	225				
(3) 1931	13	505	6565	30	219				
(4) 1930	5	499	2495	35	71	Drought			
(5) 1929	0	0	0	40	0	Hail			
(6) 1928	12	478	5736	40	143				
(7) Totals	41	xxx	20417	170	xxx	x x x			xxx
(8) Averages	8.2	xxx	4083	34	120	x x x	4083	34	120
(9) Adjusted averages							3876	34	114
(10) Allotment basis							2394	21	114

TABLE 2.--TOTAL ACRES, ACRES IN COTTON, CULTIVATED ACRES,
AND ESTIMATED PRODUCTION OF COTTON ON THE CUL-
TIVATED ACRES FOR THE LAND IN THIS FARM IN 1934

	(A)	(B)	(C)	
(1) 1932	159	115	25	
(2) 1931	159	115	30	
(3) 1930	159	115	35	
(4) Totals	477	345	90	
(5) Averages	159	115	30	
(6) Adjusted averages	159	115	30	
(7) 1929	159	115	40	
(8) 1934	159	115	21	13

V. SUMMARY OF APPLICATION--(For use of State Allotment Board)

1. Application under section 7 of the Act.--
 - (a) Allotment basis (Table 1, col. F, line 10)----- 2394 lbs.
2. Application under section 8 (a) of the Act.
 - (a) Percentage of cultivated land in cotton
(Table 2, col. C, line 6, divided by line 6, col. B.----- 26 percent
 - (b) Estimated production if one-third of the cultivated land
had been planted to cotton (Table 2, col. B, 1/3 of line
6, x line 10, col. H, Table 1)----- 4332 lbs.
 - (c) Adjusted average production of cotton (Table 2, col. C,
line 6, x line 10, col. H, Table 1)----- 3420 lbs.
 - (d) Allotment basis (item 2b minus item 2c)----- 912 lbs.
3. Application under section 8 (b) of the Act.
 - (a) Allotment basis (Table 3, col. E, line 3)----- lbs.
4. Application under section 8 (c) of the Act.
 - (a) Average production excluding years in which yields 33-1/3
percent below 5-year adjusted average----- 4480 lbs.
 - (b) Adjusted average production, 1928-1932 (Table 1,
col. F, line 9)----- 3876 lbs.
 - (c) Allotment basis (item 4a minus item 4b)----- 604 lbs.
5. Application under section 8 (d) of the Act.
 - (a) Average production assuming cotton acreage 60 percent of
1929 cotton acreage (Table 1, col. H, line 10, x 60
percent of line 7, col. C, Table 2)----- lbs.
 - (b) Adjusted average production 1930-1932 (Table 2, col. C,
line 6 x line 10, col. H, Table 1)----- lbs.
 - (c) Allotment basis (item 5a minus item 5b)----- lbs.

_____, 1934. Computations by: _____
(Date) (Name)

_____, 1934. Checked by: _____
(Date) (Name)

ALLOTMENT: County _____ State Reserve _____ Total _____

EXAMPLE 2. INSTRUCTIONS FOR SUMMARIZING FORM NO. B.A.8
FOR A FARM PARTICIPATING IN THE PRORATION OF
THE COUNTY ALLOTMENT AND OF THE STATE RESERVE
UNDER SECTION 8 (a) AND (c) OF THE ACT

(Application for farm not covered by 1934-1935 Cotton Contract. For notes,
footnotes and column captions see printed copy of Form No. B.A.8).

TABLE 1.--COTTON ACREAGE, YIELD, AND PRODUCTION

	(A)	(B)	(C)	(D)	(E)	(EE)	(F)	(G)	(H)
	Number	Pounds	Pounds	Acres	Pounds		Pounds	Acres	Pounds
(1) 1932									
(2) 1932	11	511	5621	25	225				
(3) 1931	13	505	6565	30	219				
(4) 1930	5	499	2495	35	71	Drought			
(5) 1929	0	0	0	40	0	Hail			
(6) 1928	12	478	5736	40	143				
(7) Totals	41	xxx	20417	170	xxx	x x x			xxx
(8) Averages	8.2	xxx	4083	34	120	x x x	4083	34	120
(9) Adjusted averages							3876	34	114
(10) Allotment basis							2364	-	114
Minimum allotment basis (Sec. 7)							1140		

TABLE 2.--TOTAL ACRES, ACRES IN COTTON, CULTIVATED ACRES,
AND ESTIMATED PRODUCTION OF COTTON ON THE CUL-
TIVATED ACRES FOR THE LAND IN THIS FARM IN 1934

	(A)	(B)	(C)	
	Acres	Acres	Acres	
(1) 1932	159	115	25	
(2) 1931	159	115	30	
(3) 1930	159	115	35	
(4) Totals	477	345	90	
(5) Averages	159	115	30	
(6) Adjusted averages	159	115	30	
(7) 1929	159	115	40	
			Planted	Rented
(8) 1934	159	115	30	-

V. SUMMARY OF APPLICATION--(For use of State Allotment Board)

1. Application under section 7 of the Act.--
 - (a) Allotment basis (Table 1, col. f, line 10)----- 2394 lbs.
2. Application under section 8(a) of the Act.
 - (a) Percentage of cultivated land in cotton
(Table 2, col. C, line 6, divided by line 6, col. B.----- 26 percent
 - (b) Estimated production if one-third of the cultivated
land had been planted to cotton (Table 2, col. B,
1/3 of line 6, x line 10, col. H, Table 1)----- 4332 lbs.
 - (c) Adjusted average production of cotton (Table 2, col. C,
line 6, x line 10, col. H, Table 1)----- 3420 lbs.
 - (d) Allotment basis (item 2b minus item 2c)----- 912 lbs.
3. Application under section 8 (b) of the Act.
 - (a) Allotment basis (Table 3, col. E, line 3)----- 1bs.
4. Application under section 8 (c) of the Act.
 - (a) Average production excluding years in which yields 33-1/3
percent below 5-year adjusted average----- 4480 lbs.
 - (b) Adjusted average production, 1928-1932 (Table 1, col. F,
line 9)----- 3876 lbs.
 - (c) Allotment basis (item 4a minus item 4b)----- 604 lbs.
5. Application under section 8 (d) of the Act.
 - (a) Average production assuming cotton acreage 60 percent of
1929 cotton acreage (Table 1, col. H, line 10, x 60
percent of line 7, col. C, Table 2)----- 1bs.
 - (b) Adjusted average production 1930-1932 (Table 2, col. C,
line 6 x line 10, col. H, Table 1)----- 1bs.
 - (c) Allotment basis (item 5a minus item 5b)----- 1bs.

_____, 1934 Computations by: _____
(Date) (Name)

_____, 1934 Checked by: _____
(Date) (Name)

ALLOTMENT: County _____ State Reserve _____ Total _____

EXAMPLE 3. INSTRUCTIONS FOR SUMMARIZING FORM NO. B.A.8
FOR A FARM PARTICIPATING IN THE PRORATION
OF THE COUNTY ALLOTMENT AND OF THE STATE
RESERVE UNDER SECTION 8 (a) OF THE ACT

(Application for farm covered by 1934-1935 Cotton Contract. For notes,
footnotes and column captions see printed copy of Form No. B.A.8).

TABLE 1.--COTTON ACREAGE, YIELD, AND PRODUCTION

	(A)	(B)	(C)	(D)	(E)	(EE)	(F)	(G)	(H)
	Number	Pounds	Pounds	Acres	Pounds		Pounds	Acres	Pounds
(1) 1933									
(2) 1932	7	507	3549	20	177				
(3) 1931	9	503	4527	25	181				
(4) 1930	11	498	5478	40	137				
(5) 1929	0	0	0	0	0				
(6) 1928	24	483	11592	60	193				
(7) Totals	51	xxx	25143	145	xxx	x x x			xxx
(8) Averages	12 $\frac{3}{4}$	xxx	6286	36	175	x x x	6286	36	175
(9) Adjusted averages							5760	36	160
(10) Allotment basis							3680	23	160

TABLE 2.--TOTAL ACRES, ACRES IN COTTON, CULTIVATED ACRES,
AND ESTIMATED PRODUCTION OF COTTON ON THE CUL-
TIVATED ACRES FOR THE LAND IN THIS FARM IN 1934

	(A)	(B)	(C)	
	Acres	Acres	Acres	
(1) 1932	90	75	20	
(2) 1931	90	75	25	
(3) 1930	90	75	40	
(4) Totals	270	225	85	
(5) Averages	90	75	28	
(6) Adjusted averages	90	75	28	
(7) 1929	90	75	60	
(8) 1934	90	75	23	Planted : Rented :
				13 :

V. SUMMARY OF APPLICATION--(For use of State Allotment Board)

1. Application under section 7 of the Act.--
(a) Allotment basis (Table 1, col. F, line 10)----- 3680 lbs.
2. Application under section 8 (a) of the Act.
(a) Percentage of cultivated land in cotton
(Table 2, col. C, line 6, divided by line 6, col. B)----- 37.3 percent
(b) Estimated production if one-third of the cultivated
land had been planted to cotton (Table 2, col. B,
1/3 of line 6, x line 10, col. H, Table 1)----- lbs.
(c) Adjusted average production of cotton (Table 2, col. C,
line 6 x line 10, col. H, Table 1)----- lbs.
(d) Allotment basis (item 2b minus item 2c)----- lbs.
3. Application under section 8 (b) of the Act.
(a) Allotment basis (Table 3, col. E, line 3)----- lbs.
4. Application under section 8 (c) of the Act.
(a) Average production excluding years in which yields 33-1/3
percent below 5-year adjusted average----- lbs.
(b) Adjusted average production, 1928-1932
(Table 1, col. F, line 9)----- lbs.
(c) Allotment basis (item 4a minus item 4b)----- lbs.
5. Application under section 8 (d) of the Act.
(a) Average production assuming cotton acreage 60 percent of
1929 cotton acreage (Table 1, col. H, line 10, x 60
percent of line 7, col. C, Table 2)----- 5760 lbs.
(b) Adjusted average production 1930-1932 (Table 2, col. C,
line 6 x line 10, col. H, Table 1)----- 4480 lbs.
(c) Allotment basis (item 5a minus item 5b)----- 1280 lbs.

_____, 1934. Computations by: _____
(Date) (Name)

_____, 1934. Checked by: _____
(Date) (Name)

ALLOTMENT: County _____ State Reserve _____ Total _____

EXAMPLE 4. INSTRUCTIONS FOR SUMMARIZING FORM NO. B.A.8
FOR A FARM PARTICIPATING IN THE PRORATION
OF THE COUNTY ALLOTMENT AND OF THE STATE
RESERVE UNDER SECTION 8 (a) OF THE ACT

(Application for farm not covered by 1934-1935 Cotton Contract. For notes, footnotes and column captions see printed copy of Form No. B.A.8).

TABLE 1.--COTTON ACREAGE, YIELD, AND PRODUCTION

	(A)	(B)	(C)	(D)	(E)	(EE)	(F)	(G)	(H)
	Number	Pounds	Pounds	Acres	Pounds		Pounds	Acres	Pounds
(1) 1933									
(2) 1932	7	507	3549	20	177				
(3) 1931	9	503	4527	25	181				
(4) 1930	11	498	5478	40	137				
(5) 1929	0	0	0	0	0				
(6) 1928	24	483	11592	60	193				
(7) Totals	51	xxx	25146	145	xxx	x x x			xxx
(8) Averages	12 ³ / ₄	xxx	6286	36	175	x x x	6286	36	175
(9) Adjusted averages							5760	36	160
(10) Allotment basis							3571	-	-
Minimum allotment basis (Sec. 7)							1280		

TABLE 2.--TOTAL ACRES, ACRES IN COTTON, CULTIVATED ACRES,
AND ESTIMATED PRODUCTION OF COTTON ON THE CUL-
TIVATED ACRES FOR THE LAND IN THIS FARM IN 1934

	(A)	(B)	(C)	
	Acres	Acres	Acres	
(1) 1932	90	75	20	
(2) 1931	90	75	25	
(3) 1930	90	75	40	
(4) Totals	270	225	85	
(5) Averages	90	75	28	
(6) Adjusted averages	90	75	28	
(7) 1929	90	75	60	
(8) 1934	90	75	40	Planted : Rented :
				- : - :

V. SUMMARY OF APPLICATION--(For use of State Allotment Board)

1. Application under section 7 of the Act.--
 - (a) Allotment basis (Table 1, col. F, line 10)----- 3571 lbs.
2. Application under section 8 (a) of the Act.
 - (a) Percentage of cultivated land in cotton
(Table 2, col. C, line 6, divided by line 6, col. B)----- 37.3 per
 - (b) Estimated production if one-third of the cultivated
land had been planted to cotton (Table 2, col. B, 1/3 of line
6 x line 10, col. H, Table 1)----- lbs.
 - (c) Adjusted average production of cotton (Table 2, col. C, line
6 x line 10, col. H, Table 1)----- lbs.
 - (d) Allotment basis (item 2b minus item 2c)----- lbs.
3. Application under section 8 (b) of the Act.
 - (a) Allotment basis (Table 3, col. E, line 3)----- lbs.
4. Application under section 8 (c) of the Act.
 - (a) Average production excluding years in which yields
33 1/3 percent below 5-year adjusted average----- lbs.
 - (b) Adjusted average production, 1928-1932 (Table 1, col. F, line 9) lbs.
 - (c) Allotment basis (item 4a minus item 4b)----- lbs.
5. Application under section 8 (d) of the Act.
 - (a) Average production assuming cotton acreage 60 percent of
1929 cotton acreage (Table 1, col. H, line 10, x 60 percent
of line 7, col. C, Table 2)----- 5760 lbs.
 - (b) Adjusted average production 1930-1932 (Table 2, col. C,
line 6 x line 10, col. H, Table 1)----- 4480 lbs.
 - (c) Allotment basis (item 5a minus item 5b)----- 1280 lbs.

_____, 1934. Computations by: _____
(Date) (Name)

_____, 1934 Checked by: _____
(Date) (Name)

ALLOTMENTS: County _____ STATE RESERVE _____ Total _____

Determining Allotments To Farms And
To Each Producer

It will not be necessary for the statistical-clerical force in the State office to wait until all applications from a county are received, checked and summarized in order to begin tabulating the allotment bases from Form No. B.A.8 onto Form No. B.A.21. The work should begin as soon as a sufficient number of applications have been summarized.

The main steps that will be followed in tabulating the data from Application Form No. B.A.8 onto Form No. B.A.21 are as follows:

1. Sort summarized applications by county subdivisions or communities.
 - a. Segregate for each sub-division or community all applications from farms on which cotton was planted in 1933 for the first time since 1927.
 - b. Applications covering farms on which cotton was planted for the first time during 1934 will be tabulated with the applications other than those under item a.
2. Applications will be listed by serial number in numerical order in Column 1 (see Example 7 in appendix) for each county sub-division or community.
 - a. For applications that are sent back to the county for correction (see Part I) or are otherwise delayed, the serial numbers should be entered and the space reserved for tabulation when the applications are returned to the State office.
3. Enter name of applicant in Column 2.
4. For farms not covered by a 1934-1935 Cotton Contract, enter in Column 3 the acres planted to cotton in 1934 from Table 2, Column C, line 8 of the application.
5. For farms covered by a 1934-1935 Cotton Contract, enter in Column 4 the acres planted to cotton in 1934 from Table 2, Column C, line 8, of the application.
6. The allotment basis under Section 7 of the Act is represented by the figure entered in Section V, line 1 (a), of the application. This figure will be entered in Column 5 of Form No. B.A.21.
7. The allotment bases under Section 8 of the Act are represented by the figures that may be entered on lines 2 (d), 3 (a), 4 (c) and/or 5 (c) of Section V of Form No. B.A.8, and represent a claim against the State cotton reserve.

Each separate claim will be entered in the appropriate columns, 7 to 10 inclusive, and the line total for the four columns entered in Column 11.

8. The share of the county allotment that will be prorated to each applicant will be computed upon completion of the tabulation of applications from the county and the correction of the county allotment for applications from county-line and State-line farms.

Note: In the case of applications covering county-line or State-line farms, the proper allocation of allotments for such farms will be made between counties or States by the two County Committees or State Allotment Boards concerned before such allotments are distributed within the counties. The allocation will be made on Form No. B.A.23 and in accordance with instructions thereon. Suppose, for example, that County A has received applications with allotment bases totaling 5,000 pounds (Form No. B.A.8, Table 1, line 10) chargeable to land in County B. Likewise, suppose that County B has received applications with allotment bases totaling 50,000 pounds chargeable to land in County A. County A's allotment will be increased by 45,000 pounds to provide for the land in County B that is covered by applications submitted in County A. The 45,000 pounds added to County A's allotment will be deducted from County B's allotment. If counties A and B are located in separate States, a corresponding adjustment will be made in the State allotments.

9. Compute correction factor for county allotment.
 - a. Enter the county allotment, corrected for county-line or State-line farms, on line (a) in the upper right hand corner of Form No. B.A.21.
 - b. When all applications from the county have been approved and the allotment basis has been entered for each in Column 5, total the column and enter the total on line (b) as above. The allotment bases for farms on which cotton was planted in 1933 for the first time since 1927 will not be included in this total.
 - c. Divide the figure on line (a) by the figure on line (b) to obtain the correction factor, line (c).
10. Multiply the figure representing the allotment basis of each application, Column 5, by the correction factor,

line (c), and enter the result in Column 6. The correction factor will also be applied to the allotment bases of farms on which cotton was grown in 1933 for first time since 1927.

11. Determine individual allotments from the State cotton reserve.

a. In the case of farms on which cotton was grown in 1933 for the first time since 1927, total the allotments determined as in 9 (b) above.

(i) The allotments to such farms will be taken from the State cotton reserve, but this must not be done until all the claims against the State reserve are received and considered.

(a) The State Allotment Board will, upon the approval of the Cotton Production Section, establish the maximum percentage of the State cotton reserve that may be so prorated so as not to penalize the other classes of producers entitled to receive allotments of tax-exempt cotton under Section 8.

b. The remaining portion of the State cotton reserve will be prorated to the other applicants who are to share in the reserve under Sections 8 (a), (b), (c) and (d) of the Act. The procedure to be used is as follows:

(1) Total Column 11, Form No. B.A.21, for all applications in the State.

(2) Determine the correction factor to be applied to the allotment basis of each farm that is shown in Column 11, Form No. B.A.21, by dividing the remaining part of the State cotton reserve by the total of such allotment bases.

(3) Apply the correction factor so obtained to the State reserve allotment basis of each farm, Column 11, and enter the result in Column 12. For example, if the State reserve that remains after allotments are made to 1933 producers amounts to 5,000 bales and the total allotment bases of participants in the State reserve other than 1933 producers is 7,500 bales, the

correction factor to be applied to each applicant's State reserve allotment basis to determine his prorata share of the reserve will be 8,000 divided by 7,500, or .66667. In other words, each applicant would receive an allotment from the State reserve equal to two-thirds of his claim against such reserve.

12. Determine the total farm allotment for each farm by adding Columns 6 and 12 and enter the sum in Column 13.
13. Transfer the farm allotment to Forms No. B.A.8 by entering the allotment to each farm at the bottom of the page under Section V, as follows:

Allotment: County _____ State Reserve _____ Total _____

14. Compute shares of individual producers in the total farm allotment.
 - a. If in case Form No. B.A.8 is accompanied by Forms No. B.A.9 and 10, the total farm allotment will be entered in the space provided in the columns labeled "For use of State Allotment Board".
 - b. The percentage that the estimated production of each producer unit, Column D, is of the total estimated production of the entire farm, total of Column D, will be entered in Column E. The total of these percentages in Column E should equal 100.
 - c. The farm allotment will be prorated to producer units by multiplying the total farm allotment by the percentage shown in Column E for each producer unit, and the result entered in Column F.
 - d. The allotment apportioned to each producer unit will then be divided among the tenants, croppers, landlord and tenant-operators if any, and the shares of each entered in Columns G and H, and the column without a caption (the caption, "tenant-operator", should be entered if a tenant-operator is involved) according to the shares indicated in Column A. The totals of the allotments to the individuals mentioned should equal the total farm allotment. Two illustrations of the procedure that will be used in the State office are shown in Examples 5 and 6. These two examples illustrate the same cases used in Examples E and F, shown in Form No. B.A.19, "Instructions and Regulations Pertaining to the Cotton Act of April 21, 1934".

(For notes, footnotes and captions see printed copies of Forms No. B-4, 9 and 10).

Operator	James Smith
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Name	Address	(A)	(E)	(C)	(D)	(E)	(F)	(G)	(H)	For use of State Allotment Board Total farm allotment 10185 Lbs.
Oscar Page	Steele Store	1/2	15	200	3000	22.0	2240	1120	1120	
Pink West	"	1/2	12	180	2160	15.8	1610	805	805	
Newt Jones	Bastor	3/4	20	175	3500	25.6	2605	1955	650	
James Smith (Operator)	"	0	25	200	5000	36.6	3730	3730		
Total for farm	xxx	72	190	13660	100	10185	3880	6305		

(For notes, footnotes and captions see printed copies of Forms No. B. A. 9 and 10)

FOR USE OF STATE ALLOTMENT BOARD									
Name	Address	(A)	(B)	(C)	(D)	(E)	(F)	Share to--	Total Farm Allotment.....18,735 lbs. ²
		(Share):(Acres):	(Pounds):	(Percent):	(G):(Pounds):	(H):(Pounds):			
Pete Neff	Pickens, R #2	0-1/4	12	210	2520	13.1	2455	615	1840
Ed Nix	"	1-1/4	5	160	800	4.2	785	195	195
Bert Guy	"	2-1/4	6	215	1720	8.9	1665	415	415
Totals for Pete Neff									2450
Roy Gaines	Myra, R #1	0-3/4	14	190	2660	13.8	2595	645	1940
Jim Garver	"	1-1/4	7	180	1260	6.5	1220	305	305
Ed Rowe	"	3/4-0	6	140	824	4.4	825	205	
Totals for Roy Gaines									2245
Joe Davis	Pickens, R #2	3/4-0	21	185	3885	20.1	3765	940	
John Timms, Operator	"	0-1-0	28	200	5600	29.0	5435	5435	
Total for farm		xxx	101	xxx	19269	100.0	18735	5285	4695

PART III. THE ISSUANCE OF TAX-EXEMPTION CERTIFICATES

Individual farm allotments will serve as the basis upon which will be determined the amount of tax-exemption certificates that producers may receive. The required amount of certificates needed to cover each allotment will be prepared for issuance in the State office and sent in lots to the county offices for distribution to producers.

A complete record will be kept in the Cotton Production Section of all tax-exemption certificates that are issued, and of their final disposal. The State Boards will be required to account for each certificate received by them from the Cotton Production Section. The State Boards will, in turn, require a careful accounting from the county offices of all transactions connected with the receiving and issuance of exemption certificates. This chapter will deal with the procedure that will be followed in the State and county offices in handling, issuing and accounting for tax-exemption certificates. The procedure will be discussed in detail under each of the following steps:

- A. The receiving of tax-exemption certificates from the Cotton Production Section, Washington, D. C.
- B. The preparing of tax-exemption certificates for issuance to producers.
- C. The sending of certificates to counties and their distribution to producers.
- D. Providing for the transfer of surplus certificates.

The Receiving Of Certificates from The Cotton Production Section, Washington, D. C.

Exemption certificates and the covers to which they will be later attached will be sent directly from the Cotton Production Section to the Executive Secretary of each State Allotment Board in quantities as these will be required. The exemption certificate (Form No. B. A. 11) will not be attached to the cover (Form No. B. A. 11a) at the time that the certificates are received by the State Allotment Boards. The certificates will be attached to the covers at the time that they are prepared for issuance to producers.

A duplicate form letter under separate cover will accompany each shipment of tax-exemption certificates and covers sent to a State Allotment Board from the Cotton Production Section. This form letter will specify the number of certificates sent and their serial numbers. Acknowledgment will be made by the Executive Secretary of the State Allotment Board, on one copy of this form letter, of the receipt of the exemption certificates, and this receipt immediately returned to the Cotton Production Section.

A record will then be made of the certificates received from Washington. This record will be kept on Form No. B. A. 103, entitled "Record of Cotton Tax-Exemption Certificates Received, Issued And On Hand, And State Allotment Control". A copy of this form is illustrated as Example 8 in the Appendix to this pamphlet. Columns 1 through 4 only will be filled at the time that certificates are received from Washington. Form No. B. A. 103 will be made out in duplicate and the original sent to the Cotton Production Section after a complete record is entered on the form as provided for in the remaining columns. Columns 5 to 13, inclusive, can be filled only after the necessary information called for in Form No. B. A. 104 is tabulated. This information to be tabulated in Form No. B. A. 104 is discussed in the following section. Reference will again be made to Form No. B. A. 103, in order to explain the procedure that will be followed in transcribing the totals of the information shown in Form No. B. A. 104.

The Preparing Of Tax-Exemption Certificates For Issuance to Producers

All of the exemption certificates issued to producers in a county may be sent at one time. In many cases, however, it may be found necessary to make two or more separate issues to the same producers. The procedure that will be followed in the State office is different for the two cases, therefore both are discussed in this section.

Assuming single issue of all exemption certificates. The allotments to individual farms and producers will be determined as explained in the preceding chapter and will be entered on Form No. B. A. 8 for an entire farm. In those cases in which more than one producer shares in the farm allotment, the pro rata share of each individual will be shown in the last two or three columns of Forms No. B. A. 9 and 10. An appropriate amount of tax-exemption certificates will be prepared for issuance to producers as prescribed by regulations. The total number of pounds represented in Form No. B. A. 11 as prepared for producers will represent the total allotment in pounds of tax-exempt lint cotton that such producers are entitled to receive.

The preparation of Form No. B. A. 11 may be illustrated with a hypothetical case. If a farm operated by Mr. Rob Roe is assigned the application serial number 599 and the farm is found to be entitled to an allotment of 3,050 pounds of lint cotton, there will be shown at the top of Form No. B. A. 11 the name, Rob Roe, and the name of the county and State in which Mr. Roe's farm is located. The application number in this case will be 599. This number will also be written on the upper left-hand corner of the cover after the certificate is attached. The number of pounds issued will be 3,050. The secretary of the County Committee, who is the County Assistant in Cotton Adjustment, will later sign the certificate at the time that it is delivered to Mr. Roe and enter the date of issuance on the line indicated. The designated persons in the State office will tear or cut the certificate immediately below the number 3,050 and

tear or cut diagonally up the right of the figure to the line immediately below the 3,000 mark, and then completely across as indicated below:

2900/5/10/15/20/25/30/35/40/45
2950/55/60/65/70/75/80/85/90/95
3000/5/10/15/20/25/30/35/40/45
3050/

The part of the section above the tear or cut will then be attached to the heavy manila cover, Form No. B. A. 11a, entitled "Cotton Tax Exemption Certificate." The certificate in its entirety is now ready to be sent to the county office through which Mr. Roe submitted his application. The torn part of the certificate will be filed in the State office and will later be forwarded to Washington in accordance with the procedure that is described in the following subsection.

Had Mr. Roe's application entitled him to receive an allotment of 5,000 pounds or a multiple thereof, the receipt printed at the bottom of the certificate will be cut or torn immediately above the title, "Cotton Tax Exemption Certificate", and the stub filed and later sent to Washington with the other torn parts. In no case will the spaces at the bottom of the certificate stubs be filled in the State office. The section entitled "Transfer or Assignment", shown on the manila cover, Form No. B. A. 11c, will be disregarded until such time as the producer who receives the exemption certificate may desire to transfer or assign the certificate in part or in whole. The provisions for the transfer or assignment of certificates will also be dealt with in the special instructions and regulations that will be issued pertaining to that subject.

Form No. B. A. 104 and its continuation sheets, Form No. B. A. 105, entitled "Allotments Approved and Register of Tax-Exemption Certificates Issued Pursuant to the Cotton Act, approved April 21, 1934", will be filled out at the time that exemption certificates are prepared for producers. A copy of Form No. B. A. 104 is shown as Example 9 in the Appendix. This form will be prepared in triplicate in the State office and, if possible, all entries on the form should be typewritten. The totals for the county, including all page totals, will be shown as indicated at the bottom of the first sheet, Form B. A. 104.

The first entries in Form No. B. A. 104 will be made in Columns 1, 2 and 5. The information for these entries will be taken from Form No. B. A. 8 or Forms No. B. A. 9 and 10. Column 1 of Form No. B. A. 104 will show the serial number of each application for an allotment and exemption certificates. Column 2 will show the name and address of each producer entitled to receive an allotment. The name of the producer will be shown in the first part of each space opposite the application serial number and the address indicated immediately below in the same line. Column 5 will indicate the allotment of tax-exempt cotton that the producer receives. The entries in this column will always be adjusted to the nearest multiple of five.

Certificates will then be prepared on the basis of the information shown in Column 5. The number of exemption certificates that are used in each issuance to producers will be indicated in Column 4. Certificates from which parts

are torn will be counted as whole certificates in this column. The serial numbers of the certificates issued to each producer will then be entered in Column 3. In those cases in which more than 5,000 pounds are issued to a producer, certificates issued should run in consecutive serial numbers so that only one line will be required to record in Column 3 the serial numbers of certificates issued to each producer.

Column 6 will contain a record, in pounds, of the parts of certificates that were torn off in preparing the issue for each individual. For each individual and for all of the individuals to whom allotments are made, the summation of Columns 5 and 6 must equal the summation of Column 4 multiplied by 5,000. This is the check that will be used in the State office in ascertaining that the correct procedure has been followed in preparing the certificates issued to each producer.

After the exemption certificates have been prepared and a record made in Form No. B. A. 104 and its continuation sheets as outlined in the foregoing, the certificates are ready to be sent to the county office for distribution to producers. The procedure that will be followed in doing this is described in the following subsection.

The entries in Form No. B. A. 103, Columns 5 to 13, inclusive, may now be completed in the State office. These columns will be filled on a county basis and will be a summarization, for each county, of the information shown in Form No. B. A. 104 and its continuation sheets, Form No. B. A. 105.

Column 5 of Form No. B. A. 103 will indicate whether all the exemption certificates to which producers in the county are entitled have been issued at one time or in two or more different issues. Column 6 will be a record of the county code of each county from which applications originated. The name of each county will be entered in Column 7.

Columns 8, 9, 10, 11 and 12 will be summarized directly for each county from Form No. B. A. 104 and its continuation sheets, Form No. B. A. 105. Columns 8 and 9 will show the serial numbers, starting from the lowest and ending with the highest, of the exemption certificates issued to producers in each county. This information will be obtained from Column 3 of Form No. B. A. 104 and its continuation sheets. Column 10 of Form No. B. A. 103 will be the total of Column 4 of Form No. B. A. 104. Columns 11 and 12 on Form No. B. A. 103 will be the totals of Columns 5 and 6, respectively, of Form No. B. A. 104.

Column 13 of Form No. B. A. 103 will be obtained by subtracting Column 10 from Column 2 of the same form. Column 13 will be a running inventory of the number of certificates on hand and should be carefully checked on a daily basis to ascertain that a proper count is being made, at all steps, of the exemption certificates that were received from Washington and issued to producers.

The original copy of Form No. B. A. 103 will be forwarded to the Cotton Production Section after the completion of each issuance of exemption certificates to producers in the State.

Assuming two or more issues of tax-exemption certificates to the same producers. The entire discussion in the preceding subsection has been on the basis of only one issuance of exemption certificates to producers. In many cases, however, it will be necessary to make two and possibly three different issues of exemption certificates to the same producers. In counties in which the ginning of cotton begins at an early date during the season, it will be necessary to issue "interim tax-exemption certificates." These "interim tax-exemption certificates" will be issued before allotments to producers are determined. Again, it may be found necessary to issue tax-exemption certificates to producers on the basis of their pro rata shares of the county allotment before these producers can obtain whatever share of the State cotton reserve to which they are entitled. In such cases, the State cotton reserve would be issued separately from, and at a later date than, the county allotment.

In those cases in which two or more separate issues of tax-exemption certificates are made to the same producers, a more complicated procedure than that outlined in the preceding subsection will be followed. It will be necessary to re-compute Columns E, F, G and H on Forms No. B. A. 9 and 10 for each separate issue of exemption certificates. If, for example, the county allotment is prorated to producers in the county before the shares of the State cotton reserve can be prorated, thus necessitating two separate issues, the farm allotment figure shown above Columns E, F, G and H of Forms No. B. A. 9 and 10 will represent, for each issue, the amount of tax-exempt cotton that will be prorated to the producers on the farm covered by the applications in question. The caption "Total Farm Allotment" above Columns E, F, G and H of Forms No. B. A. 9 and 10 will be scratched out and the number of the issue inserted as, for example, "First Issue", "Second Issue", etc..

Form No. B. A. 104 will be filled out as described in the preceding subsection, but Column 5 will pertain only to the individual allotments of the particular issue that is being made. If, for example, the county allotment is being prorated to producers and this proration represents the first issue of exemption certificates, the figure "1" will be inserted in the space immediately to the right of the term "Issue No." on the upper right-hand corner of the sheet. The same procedure will be followed in connection with Form No. B. A. 105, which provides the continuation sheets for Form No. B. A. 104.

A record will be kept of the number of pounds of tax-exempt cotton issued to individual producers for each separate issue of tax-exemption certificates made to them. This record will be kept on Form No. B. A. 106, entitled, "Record of Individual Producers' Allotments and of Issues of Tax-Exemption Certificates". A copy of this form is included as Example 10 in the Appendix. Only one copy of this form will need to be made to provide a record for use in the State office.

Column 1 of Form No. B. A. 106 will show the serial number of the application and Column 2 the name of the producer. Columns 3 and 4 will contain information as to the allotments to which the producer is found to be entitled under Sections 7 and 8 of the Act. Column 5 will show the total of Columns 3 and 4.

For each issue of certificates, a record will be kept as indicated in Columns 6, 7, 8, 9 and 10, of the number of pounds of lint cotton for which certificates are issued. It will be only in extreme cases that more than three issues of certificates are made, but provision is made in the form for a total of four issues.

Form No. B. A. 104 will need to be summarized for each separate issue of exemption certificates made to the same producers, and the summary entered on Form No. B. A. 103. The same procedure will be followed in transcribing this summary as was outlined in the preceding subsection in the case of one issue only. Column 5 of Form No. B. A. 103, captioned "Issue No.", specifies whether the issue is the first, second, third, etc. Copies of Forms No. B. A. 103, 104 and 105 will be sent to the Cotton Production Section each time that a separate issue of tax-exemption certificates is made.

The work of the State Allotment Board in computing individual allotments will be greatly increased with each separate issue of exemption certificates that will be made. It is highly desirable, therefore, that the State Allotment Boards, insofar as possible, without causing hardship to the producers, restrict the number of issues to the minimum.

The Sending of Certificates to Counties and Their Issuance to Producers

The exemption certificates, prepared and recorded on Form No. B. A. 104 and its continuation sheets will be sent to the county office for distribution to producers. The first two copies of Form No. B. A. 104 and its continuation sheets, if any, will accompany the shipment. A letter in duplicate, on a form that will be provided by the Cotton Production Section, will also be sent under separate cover from the State office to the county office at the time that a shipment of exemption certificates is made. The letter will contain information as to the total number of exemption certificates being sent and the serial numbers of the certificates. The Assistant in Cotton Adjustment will acknowledge receipt of these certificates on a space provided in the form letter and immediately return the receipt, so executed, to the State office. The second copy of the letter will be filed in the county office.

The packages of exemption certificates sent to each county will be arranged in such a manner that the Assistant may be able to issue certificates to producers on a community basis. The manner in which the applications are tabulated and allotments determined permits this to be done.

The State Allotment Board may, at its discretion, wish to notify each individual producer of the allotment that he will receive. A card that requires no postage, Form No. B. A. 22, will be used in making this notification. These cards will be obtainable on request from the Cotton Production Section. A copy of the card is shown as Example 13 in the Appendix.

When the exemption certificates are received in a county, producers will be notified in order that they may appear to receive their respective shares of the certificates. The certificates may be disbursed in the same community headquarters where producers submitted their applications. It may be found preferable to do this rather than have all producers appear at the county office in order to receive their certificates. The procedure that will be followed, however, will be influenced by the conditions in each county.

A receipt will be obtained from each producer for the exemption certificates that he receives. This receipt will be made by signing in the space indicated in Column 7 of the two copies of Form No. B. A. 104 and its continuation sheets sent to the county with the shipment of exemption certificates. All signatures and other entries on Form No. B. A. 104 will be in duplicate. Carbon paper will be inserted between the two copies in order that a copy of the signature may be obtained. The original copy of Forms No. B. A. 104 and 105, with the necessary signatures, will be returned to the State Allotment Board. The duplicate copies will be filed in the county office. The original copies of Forms No. B. A. 104 and 105 will then be forwarded from the State office to the Cotton Production Section. The copies of Form No. B. A. 104 and 105 that will be kept in the State office will serve as a record copy on which no signatures are affixed.

The copies of Forms No. B. A. 104 and 105 that are sent to the Cotton Production Section will be accompanied by the parts of the certificates cancelled at the time that certificates were prepared for issuance to the producers recorded on the forms. These cancelled certificates will be enclosed in envelopes that will be provided. This envelope, Form No. B. A. 103, entitled "Parts of Certificates Cancelled" is illustrated in Example 11 in the Appendix. A duplicate letter of transmittal from the State office will be sent under separate cover with the shipment of Forms No. B. A. 104 and 105 and the accompanying envelopes sent to the Cotton Production Section. The letter will specify the number of exemption-certificate parts returned and their serial numbers. One copy of the letter will be receipted in the Cotton Production Section when the certificates are received, and returned to the State office for filing. The other copy of the letter will be filed in the Cotton Production Section.

The State Allotment Board will keep a record of the number of exemption certificates issued to each county, and of the disposal that is made of Forms No. B. A. 104 and 105 for each separate issue of exemption certificates issued in the county. This record will be kept on Form No. B. A. 107 which is illustrated as Example 12 in the Appendix. This form provides a card record which should be kept for ready reference. The first three columns of Form B. A. 107 will be taken directly from Columns 5, 10 and 11 of Form No. B. A. 103. The disposal of Form B. A. 104 and its continuation sheets will then be recorded in the last three columns. The summation of the third column will give a ready check on the county allotment shown in the space indicated at the top of the card.

Providing For The Transfer of Surplus Tax-Exemption Certificates

The entire discussion in this chapter has dealt only with the original issue of tax-exemption certificates to producers and the procedure that will be followed

in connection with this original issue in the State and county offices. The functioning of these agencies in the mechanism that will be established for the transfer by producers of surplus tax-exemption certificates will be covered in a separate publication which will be issued in the near future.

APPENDIX

(Examples 7, 8, 9, 10, 11, 12 and 13

are shown on the pages that follow)

County Code No.

Community	County	State	(a) County allotment	(b) Total of allotment bases, Col. (5)	(c) Correction factor (a-1/b)

Appli- cation serial number	Name of applied cant	Akers planted to cotton, 1934 with contr.	From County Allotment bases	Allotment Sec. 7	From State Reserve Allotment bases	Total Allot-	Total farm allot- ment	Maximum allotment, Table 1, Col. F. line 9 1/2					
(1)	(2)	(3)	(4)	(Lbs.) (5)	(Lbs.) (6)	(Lbs.) (7)	(Lbs.) (8)	(Lbs.) (9)	(Lbs.) (10)	(Lbs.) (11)	(Lbs.) (12)	(Lbs.) (13)	(Lbs.) (14)

Page Totals

Note: This form is to be used by the State Allotment Board in determining individual farm allotments to be used as bases for issuing tax-exemption certificates. List applications serially and by communities. Separate on a separate sheet(s) by communities applications covering farms on which cotton was grown in 1933 for the first time since 1927.

^{1/} This column will be filled only in those cases in which the county allotment exceeds the total of allotment bases assigned to producers under Section 7 of the Act.

CROP YEAR OF 1934-1935

State

[illegible]

(EXAMPLE 9)

Form No. B.A. 104
United States Department of Agriculture
Agricultural Adjustment Administration
Cotton Production Section

ALLOTMENTS APPROVED AND REGISTER OF TAX-EXEMPTION
CERTIFICATES ISSUED PURSUANT TO
THE COTTON ACT, APPROVED APRIL 21, 1934

Page No. _____
County Code No. _____
No. _____
Issue No. _____

Community _____ County _____ State _____

We, the State Board of _____, do hereby certify that, to the best of our knowledge and information, the allotments of tax-exempt cotton allocated to the producers of _____ County, State of _____, have been accurately determined on the basis of applications submitted according to the regulations pursuant to the Cotton Act of April 21, 1934, and that the tax-exemption certificates to be issued on the basis of such allotments to the producers in said county are accurately recorded herein.

Chairman, State Allotment Board

Executive Secretary, State Allotment Board.

Serial Numbers of Certificates issued: From _____ to _____

(1) Serial no. of ap- plication	(2) Name and address of producer	(3) Serial numbers of certificates issued From _____ To _____	(4) No. of certifi- cates	(5) Allotments of tax-exempt cotton (Pounds)	(6) Parts of certifi- cates can- celled (Pounds)	(7) Receipt of producer for certificates issued Date _____ Signature _____
--	-------------------------------------	---	------------------------------------	---	---	--

Page Totals

County Totals

Signature, by mark must be executed and be witnessed by one or two persons as required by State Law or, if no State Law is applicable, as required by local custom.

Record of Individual Producers' Allotments
and of Issues of
Tax-Exemption Certificates

County, State of

- 37

Note: This form will be used by the State Allotment Board in those cases in which two or more distributions of tax-exemption certificates are made to producers.

(EXAMPLE 11)

(Flap)

FORM NO. B. A. 108
UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
COTTON PRODUCTION SECTION

State _____

County _____

PARTS OF CERTIFICATES CANCELLED

Certificate Serial Numbers From _____ to _____

Poundage Represented _____

Found Correct and Sealed _____

Executive Secretary, State
Allotment Board

Found Correct _____

Auditor, Cotton Production Section

(EXAMPLE 12)

FORM NO. B.A. 107		COUNTY _____	
UNITED STATES DEPARTMENT OF AGRICULTURE		CODE NUMBER _____	
AGRICULTURAL ADJUSTMENT ADMINISTRATION		STATE _____	
COTTON PRODUCTION SECTION			
COUNTY ALLOTMENT _____ (Pounds)			
Certificates Issued :		Form No. B.A. 104	
:		:	
Issue :	Number :	Allotments :	Date :
number :	of :	of tax-exempt :	forwarded :
certifi- :	cotton :	to :	Date :
cates :	represented :	county :	from :
:	(Pounds) :	:	to Wash- :
:	:	:	ington :
:	:	:	:
:	:	:	:
:	:	:	:

(EXAMPLE 13)

Form No. B.A. 22
NOTIFICATION OF ALLOTMENT
Dear Sir:
<p>The allotment of tax-exempt cotton for your farm (or producer unit) for the crop year 1934-1935 has been determined on the basis of the information submitted in your application, Serial Number _____, and in accordance with the provisions of the Cotton Act of 1934. The allotment is as follows:</p> <p>From County Allotment..... Pounds</p> <p>From State Reserve..... Pounds</p> <p>TOTAL ALLOTMENT..... Pounds</p> <p>An amount of tax-exemption certificates in keeping with your allotment will be sent to your County Agent's office for distribution.</p>
<p>_____ Chairman, State Allotment Board.</p>

